

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

In re: W.R.GRACE & CO.,
ET AL.
Debtors

Ch 11
01-01139 (JKF)

**RESPONSE BY NEW YORK STATE DEPARTMENT OF TAXATION AND
FINANCE TO DEBTORS' TWENTY FIFTH OMNIBUS OBJECTION TO CLAIMS**

The New York State Department of Taxation and Finance (the "Department"), by Elaine Z. Cole, of counsel, answers the Debtors' Twenty Fifth Omnibus Objection to its claims, as follows:

1. The Debtors object to claim number 2701 on the ground that there is insufficient documentation for the claim.
2. The claim dated October 22, 2002, consists of priority taxes for which the Debtors, Asbestos Management, Inc. and Litigation Management, Inc. filed returns. Thus, all the amounts shown on the proof of claim are taken from returns filed by the Debtors.
3. A bare assertion that "there is insufficient documentation attached to support claim" does not overcome the presumptive validity of the claim.
4. If the Debtors have information that the figures they put on their returns are incorrect, they should have produced it before the expiration of the protest periods for these assessments.

Therefore, the proof of claim should be allowed as filed.

September 5, 2008

Daniel Smirlock
Counsel and Deputy Commissioner
Department of Taxation and Finance

_____/s/_____
By Elaine Z. Cole, Esq., of counsel
340 E. Main St.
Rochester, NY 14604
(585) 530 8465
(585) 530 2017 FAX
elaine_cole@tax.state.ny.us